Part I

Knowledge Continuity in the Information Age

To understand both the urgent need for—and the great potential of—continuity management is to understand the radically different environment in which contemporary organizations are required to operate. The new context created by this environment is transforming the nature of management itself. It is a context defined by the transformation of knowledge into a capital asset, the unique nature of that asset, impending baby-boomer retirements and chronic job turnover that threaten the asset, and the relationship of knowledge continuity to productivity and innovation in the Information Age. Part I provides this contextual understanding and sets the stage for the design and implementation of continuity management described in Part II.

1 Knowledge Loss in the Information Age

Each generation of business leaders has had to deal with a characteristic threat to profitability and, sometimes, survival that came to define their era. War, inflation, depression, stock market collapse, foreign imports, and labor shortages were all serious threats to business enterprises in the past century that had to be countered if those organizations were to survive. The first decade of the new century offers no exception to the litany of threats; it merely adds a new one: knowledge loss. The loss of knowledge from departing employees poses a threat to the productivity and prosperity of contemporary organizations that is equal to the great business threats of the past century. Those organizations that can surmount this challenge by preserving their organizational knowledge base while job transfers, retirements, terminations, and resignations deplete the knowledge base of their competitors will be the business success stories of the century.

Knowledge Workers

Peter Drucker, perhaps the foremost management thinker of our time, coined the term "knowledge worker" in his 1959 book, *Landmarks of Tomorrow.* In 1994, he predicted that a third or more of the American workforce would be knowledge workers by the end of the century (Drucker, 1994, p. 53), a prediction that he confirmed in 2001 (Drucker, 2001, p. 2). Knowledge workers

are the members of the labor force whose skills are primarily intellectual rather than manual. They *create and apply knowledge* rather than make things. As the defining characteristic of work shifts from repetitive actions governed by strict instructions or simple techniques to unique actions that require complex decision making grounded in understanding, knowledge becomes increasingly important. And more and more people become knowledge workers.

This shift to knowledge work has significantly enhanced the value of knowledge to an organization. As Chapter 2 explains, knowledge is now the primary economic factor in production, a capital asset to be carefully preserved and wisely invested. But knowledge resides largely in the heads of people—people who leave and take their knowledge with them. When knowledge walks out the door with departing employees who have left no "copy" for the organization, the results can be devastating. Mounting knowledge losses can create a knowledge crisis for the organization. In fact, contemporary organizations are facing just such a crisis: an acute threat of knowledge loss from impending baby-boomer retirements and a chronic threat from terminations, transfers, layoffs, resignations, and job hopping.

Acute Threat: The Impending Knowledge Collapse

The generation born in the post–World War II baby boom has had a profound effect on public policy, the workplace, and society at large throughout its life. Between 1946 and 1964, about 75 million children were born in the United States. Today, the baby-boom generation totals approximately 83 million, including those born in other countries but now residing in America. At each stage in its life cycle, this generation has shifted the demand for public services, changed the market for a wide range of products, and altered the nature of the workforce. For nearly 20 years, policymakers, analysts, and social scientists have been concerned about the effect the baby boomers would have on the economy and the nation as they retired.

Technically, the year 2005 marks the beginning of the baby-boom exodus from the workforce. Beginning that year, every seven seconds, another baby boomer will turn 60—and reach retirement age—a process that will continue for the next 18 years. What will these retirements mean? They presage a hemorrhaging of workplace knowledge and knowledge-based experience at a time when such knowledge and experience is increasingly important to the American economy and to the organizations that comprise it.

The Private Sector

The Bureau of Labor Statistics has attempted to estimate the number of baby-boomer retirements that will strike the private sector annually and to identify the most affected industries. The bureau's study indicates, for example, that 19 percent of the baby boomers holding executive, administrative, and managerial occupations are expected to leave by 2008. That's almost 1 in 5 management positions. But some industries will be even harder hit. By 2010, "as many as 60% of today's experienced management personnel will retire from the [oil and gas] industry even if various 'golden handcuff' incentives are initiated to retain perhaps 20% of them" (Clark and Poruban, 2001, p. 74). The Society of Petroleum Engineers estimates that the industry will lose 44 percent of its petroleum engineers between 2000 and 2010, a loss of 231,000 years of cumulative experience (Kornberg and Beattie, 2002, p. 19). Development Dimensions International, a Pittsburgh-based human resources consulting firm, projects that between 2000 and 2005, some companies (especially large, older companies) will see 40 to 50 percent of their executives retire, a decimation of management that will leave a knowledge void of unprecedented proportions (Geber, 2000, p. 50).

But many baby boomers—particularly in the management and executive ranks—are thinking about retiring *before* they reach 60, which foreshortens the retirement timeframe and amplifies the retirement threat from the baby-boom generation. According to the John J. Heidrich Center for Workforce Development at Rutgers University, 76 percent of the baby boomers would like to retire before they are 50 (working for fun, 2000, p. A1). Deloitte Consulting has discovered that by 2003, nearly one-third of its 800-partner firm will be over the age of 50—and some of the fiftyish partners are talking retirement (Geber, 2000, p. 48). The obvious prediction about the baby boomers is that they will not behave as a group; some will retire early and some will retire late. The sheer number of baby boomers, however, will generate millions of early retirees. Moreover, the general trend toward early retirement means that some of those in the generation following the baby boomers may themselves elect to retire early, exacerbating the effect of baby boomer retirements.

It is possible that estimates of early or "on-time" retirements are exaggerated because of future financial pressures that might force many baby boomers to change their minds about when they will retire. Their longer life spans, for example, might require more funding than retirement income

alone can provide if baby boomers are to maintain the high standard of living to which many of them have become accustomed. Or baby boomers may incur extraordinary expenses associated with aging parents that will force them to continue working. Perhaps one of these circumstances will mitigate the threat. Certainly, a broad array of federal policies and programs have been developed or modified over the past several years to encourage baby boomers to remain in the labor force. Changes to the Social Security system, for example, have raised the official age of retirement, laws prohibiting age discrimination in the workplace have been enacted, and changes to pension and benefit regulations have removed many disincentives to continue working beyond age 65.

Even if baby boomers do work later than preceding generations, however, they are not likely to remain in the same job. They are more likely to choose a different full-time career or a part-time career that will utilize their experience while affording them the opportunity to do more of what they want to do. Either way, they will have retired from their primary organizations, taking their knowledge with them. And when they do, the results can be disastrous. Bill Gates, cofounder of Microsoft, recounts the potential loss to Microsoft that might have occurred from the retirement of just one employee whose operational knowledge had not been captured:

> A few years ago we discovered we were missing some blueprints for the existing buildings on our Redmond campus. We needed the blueprints as background for our next stage of construction. Our longtime head of real estate and facilities had just retired, so we had to call him up at home to see if he knew where the plans were. He directed us to an electrician who fortunately still worked with one of our outside vendors. Sure enough, the electrician had the blueprints. In fact, that electrician was the only person in the world who had all of the plans for all of our buildings.
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> Traditional societies often rely on one or two people to remember the group's history and traditions, but modern organizations need a better way to record and pass on their folklore. Yet at Microsoft we were relying pretty much on oral tradition, too. Here we were, the largest developer of office space in the Seattle area, embarking on a period of construction in which we would put up between half a million and a million square feet of new office space a year, and our entire "knowledge base" of crucial information was being carried round in the heads of just a few people and in a few stacks of blueprints we didn't even have on file. (Gates, 1999, pp. 236–237)

In a similar vein, an account executive for a multi-billion-dollar company told us the following story. "We lost a high-performing client manager to retirement," this executive said. "When I took over the account, I discovered that we had also lost critical information relating to that account that we could not easily retrieve. With no continuity, I had to put off the customer for two weeks while I scrambled to recover the lost information. That didn't bode well for the client—or for me—because it stalled their important project. What were we missing? Just the thing we needed most—knowledge."

This loss of an experienced account manager to retirement exemplifies a mini–knowledge collapse. The phrase is not hyperbolic because the knowledge disappeared suddenly and with serious impact. It damaged the relationship with the client and delayed a major project. When these minicollapses are multiplied by the number of baby boomers eligible for retirement and the number of situations affected by the loss of their knowledge, they rapidly build into a knowledge collapse of major proportions. The depth and breadth of the baby-boomer knowledge base makes it a formidable corporate asset, one that cannot be easily replaced if lost and one that is currently at risk.

It can be argued that the knowledge base of the baby-boom generation is the single most valuable—and the most critical—organizational asset in America today, whether part of the public or private sector. Those organizations that fail to preserve baby-boomer knowledge are destined for rough sailing. They risk declining customer satisfaction, lost market share, lower revenue, and even potential bankruptcy. Such a scenario of companies faltering on lost knowledge was highly implausible in the Industrial Age. In the knowledge-driven Information Age, it is highly probable.

The Public Sector

The public sector is no more insulated from catastrophic knowledge loss than the private sector. By 2005, *more than half* the federal employees will be eligible for retirement, including an astounding 71 percent of the senior executive service, which is composed of the government's highest-ranking and most experienced career professionals (Walker, 2001c). According to the U.S. General Accounting Office, another 58 percent of federal employees at the GS-15 level (the highest-ranking managers beneath the senior executive service) and another 41 percent at the GS-14 level will also be eligible for retirement in the same year (Walker, 2001a). Debra Tomchek, director of

human resources management at the Department of Commerce, warns that "we're going to have a crisis at the top" unless some strategy is devised to replace the knowledge lost from the retiring managers (Figura, 1999, p. 20). The Treasury Department's chief information officer reports that the department is "approaching a crisis in information technology skills" because of its "highly experienced workforce, which is moving in great numbers toward retirement eligibility" (Figura, 1999, p. 20). A U.S. Senate Governmental Affairs subcommittee issued a December, 2000, report entitled "Report to the President: The Crisis in Human Capital" that carried similar warnings about the high risk of baby-boomer retirements (Walker, 2001a). Since the federal government represents 20 percent of the U.S. economy, provides essential infrastructure functions, and ensures the national defense, major disruptions in its ability to carry out these responsibilities would have a highly adverse effect on the United States and its economy.

State and local governments throughout the United States face the same problem as the federal government. Described by a State of Wisconsin Workforce Planning Committee as "the most significant talent and brain drain ever experienced by government," 40 percent of all state and local government employees will become eligible to retire in the next 15 years (Wisconsin State Government Workforce Planning Team, 2001). The committee's report described the impending baby-boomer retirements as a "big locomotive," concluding that, "for the most part, states and municipalities are acting like they don't even see the train coming."

The Department of Defense faces a similar problem. The secretary of defense reported in May 2000 that "the Department of Defense is on the verge of a crisis that the rest of the public and private sectors will also encounter—a retirement-driven talent drain (Acquisition 2005 Task Force, 2000)." Furthermore, according to the report, it is "a crisis that can dramatically affect our Nation's ability to provide warfighters with modern weapon systems needed to defend our national interests" (Acquisition 2005 Task Force, 2000). In 2005, 50 percent of the civilians who work in defense acquisitions and 39 percent of the total civilian workforce of the Department of Defense will be eligible for retirement. "In some occupations," according to the Department of Defense, "half of the current employees will be gone by 2006" (Acquisition 2005 Task Force, 2000). Former Secretary of the Air Force F. Whitten Peters called the situation "a time bomb waiting to go off" (Grier, 2001).

Senator George Voinovich (R-Ohio), Chairman of the Senate Subcommittee on Oversight of Government Management, wrote in an op-ed piece for the *Washington Post* entitled "Dangers of an Aging Federal Work Force" (Voinovich, 2001), "The federal work force is in crisis. And nowhere is this erosion more evident, or potentially more dangerous, than in our national security establishment. . . . If we fail to respond to the formidable human capital challenges in our national security establishment in a thoughtful and deliberate manner, then our best strategies and billion-dollar weapon systems will afford us little protection in an already uncertain future."

Impending baby-boomer retirements in Europe, Australia, and Japan portend equally grave problems for these countries as they deal with similarly massive retirements in the public sector. In Western Australia, for example, a staggering 78 percent of the senior executive service will be eligible for retirement by 2009, with 45 percent of them eligible by 2004 (Ministry of the Premier and Cabinet, 1999, p. 6). According to the government study that reported these figures, the number of potential retirees over the next 5 to 10 years is so great that consideration should be given to developing a "senior management vacuum scenario."

As if the acute threat of baby-boomer retirements were not serious enough, it is exacerbated by a concurrent threat that is chronic in nature: knowledge depletion from high and continuing job turnover.

Chronic Threat: Ongoing Knowledge Depletion

The recurring loss of employees whose knowledge has not been harvested creates a chronic condition of knowledge loss that depletes an organization's knowledge base and so destroys its ability to effectively build on that knowledge base. Employees leave for many reasons, but generally, those reasons can be divided into four broad categories. They are:

1. *Employee terminations,* in which employees are laid off involuntarily because of downsizing, restructuring, mergers, reduced demand, budget cuts, unacceptable performance, or similar factors.
2. *Employee resignations,* in which employees voluntarily leave the organization because of dissatisfaction, better offers, changes in health status, changes in life style, or similar reasons.

3. *Employee transfers* (*reallocations*), in which current workers are reassigned to new or existing positions within their organization and so must vacate their current positions.
4. *Contingency workforce resignations,* in which temporary or contract employees who have been hired for limited time periods leave the organization.

Collectively, these circumstances create a chronic problem of employee turnover and knowledge depletion in organizations. For example, approximately 34 percent of the staff at the Big Five accounting firms are either in their first year with the firm—in need of knowledge—or in their last year with the firm—soon to leave with knowledge (Hiltebeitel and Leauby, 2001, p. 17). The average annual turnover rate in the information technology industry in 1999 was 25 percent, according to a survey conducted by Sibson & Co., a Princeton, New Jersey, firm specializing in human capital, and confirmed by the American Management Association's mid-2000 job survey (Essex, 2000, p. 1). Even in the "Best 100 Companies to Work For," as reported in *Fortune,* annual turnover rates ran as high as 24 percent in business services, 17 percent in publishing, and 13 percent in finance, insurance, and real estate (Nobscot Corporation, 2001, p. 1). The annual *worker reallocation* rate in America exceeds 40 percent, which means that almost half of American workers change what they do for their employers every year. Of 5,000 executives surveyed by the Hay Group in 2001, 46 percent said they expected to remain in their position for only two to five years (Sahl, 2001, p. 6). Nearly 50 percent of those who constitute personal staff of the U.S. Senate have been in their current jobs for less than one year (Congressional Management Foundation, 1999, p. 95).

These statistics portray an appalling scenario of knowledge loss that is repeated over and over in daily employee departures. Consider, for example, these specific examples of lost knowledge from employee terminations in 2001 (That means I'm fired, 2001, p. 22):

- "Lucent," *Time* reports, "expects to reduce its net headcount . . . through a combination of force management actions and attrition." Translation: 10,000 employees gone. What happened to all that operational knowledge?
- Cisco reports that "the reduction in workforce will include . . . involuntary attrition and the consolidation of some positions." Translation:

3,000 to 5,000 employees gone. The employees obviously took their knowledge with them. But did they leave any behind?

- Schwab confirms that "it plans to implement further restructuring to reduce operating expenses." Translation: 2,000 to 4,000 employees gone. Was the firm's knowledge base also "restructured"?

Many of those laid off in this round of downsizing were highly skilled, white-collar knowledge workers. "When they let these people go," Chicago outplacement expert John Challenger warns, "they scatter to the wind—all that training, all that corporate know-how gets lost" (McGinn, 2001, p. 37).

Or consider this example of knowledge discontinuity resulting from military job transfers. Air Force Colonel Michael Basla, former Joint Task Force Southwest Asia joint communications commander recounts:

> Imagine stepping off a plane in Saudi Arabia knowing that you and only you are in charge of all the U.S. communication systems in Southwest Asia. This alone is a daunting task, yet what made it more daunting was knowing that every 90 days, 99 percent of my personnel were going to leave my organization and be replaced by new crews. Basically, my people would "high five" each other going in and out the door—that was the continuity I had. It wouldn't have been a big deal if we were digging ditches, but that wasn't the case. We were responsible for providing the commander with sensor information and his command-and-control capabilities. This complex enterprise was critical to the safety of friendly forces and to the accomplishment of the United Nation's "No Fly, No Drive" resolution against Iraq. (Basla, 2001)

Marc Scorca, president of Opera America, an association of opera executives from the country's major opera companies, observes that "chronic turnover among support personnel in marketing and fund-raising poses a serious threat to the health of the performing arts. It is as big a problem as the approaching retirements of those who have been founders and mainstays of performing arts companies for decades. We have reached a point where it is no longer tolerable to continue losing this kind and quantity of knowledge" (Scorca, 2001). Lieutenant General John Woodward, U.S. Air Force deputy chief of staff for communications information and deputy chief information officer, explains why knowledge loss is so costly to the military. "Knowledge is a key asset because virtually every person is a decision maker,

and sound decision-making requires relevant knowledge. If we don't preserve that knowledge, we're wasting assets" (Woodward, 2001).

Another element in chronic job turnover is the growing corporate and governmental reliance on the contingency workforce, which creates special knowledge continuity problems for organizations. Contingency workers include self-employed individuals; those who work for temporary placement firms, contract engineering companies, and the like; and those who are relied on to perform outsourced functions through third-party firms retained for that purpose. More and more executive and professional positions (paying over $100,000 per year) and midlevel positions (paying in the $30,000 to $60,000 range) fall into the contingency workforce category, but at the high end; for example, "a growing number of CPI [chemical process industries] companies in the US are now hiring some senior-level managers, many with chemical engineering degrees, on an interim basis" (Shanley, 1999, p. 92).

As organizations change their employment strategies from full-term, permanent staffing to short-term, contractual staffing, the velocity of knowledge loss increases because of the shortened tenure of the contingency workers and the more rapid turnover they create. Because the government does not keep statistics on the number of individuals who provide work as so-called free agents, numbers are hard to come by. There are 14 million self-employed Americans, 8.3 million independent contractors, and 2.3 million who work daily through temporary agencies (Nakashima, 2001, p. A27). This combined figure of approximately 25 million, if accurate, would represent 1 out of every 6 working people in the United States. Not all of them are knowledge workers, but many of them are.

Loyalty in America at the beginning of the twenty-first century can't be taken for granted in quite the same way as in the twentieth century. Brand loyalty, for example, is fading; fans increasingly abandon losing sports teams; professional athletes change teams; independent voters have grown from 1 to 15 percent of total voters in the past 35 years; and even national politicians switch their party affiliation (sometimes with dramatic results, as happened in the case of Republican Senator James Jeffords, who tipped control of the U.S. Senate to the Democrats). A parallel societal trend away from loyalty to companies or birth cities and toward greater mobility and transience is reflected in the job hopping and career switching that increasingly characterize the American workplace. The new generation of employees does not consider long-term employment an issue of loyalty, but an example of

naiveté. In fact, more and more employees under 30 see themselves as free agents, even when they are "regular" employees, because they know they can be laid off suddenly with a business slump, merger, or acquisition. Their solution? Actively managing their own careers, job hopping as necessary to further them. The new generation of knowledge workers don't see themselves as employees of the company as much as *employers* of the company, which they will dismiss whenever it works to their advantage to do so.

Disillusionment from the wave of downsizing in the late 1980s and 1990s, a strong economy at the end of the 1990s, portable 401(k) pension plans, instant access to many job listings on the Internet, and growth of the executive recruiter industry were all factors in creating a more transient workforce at the end of the century. Long job tenure "used to be an honor badge," says John Wilson, an executive recruiter with Korn/Ferry International in San Francisco. "It's changed to the point where recruiters now really scrutinize the background and wisdom of a person who's done that. These days, you have to wonder as a recruiter, 'Why was that person so happy there for so long? Were they challenged by a lot of different roles? Or were they just so comfortable that they stayed and stayed and stayed?' " (DeBare, 2000, p. 1). B. Lynn Ware, a recruitment retention expert with Integral Training Systems in Half Moon Bay concurs. She says that "two to three years [of job tenure] used to raise a red flag. Now, depending on the industry, it's one to 1.5 years. But what employers are really looking at is, did the person complete the project or commitment they made?" (DeBare, 2000, p. 3).

Clearly, the promise or even the hope of lifetime employment is a remnant of an earlier age. At one time, IBM boasted of its family atmosphere and its no-layoff policy. In 1992, it fired 120,000 workers (Whimper fi, 2001, p. C1). The unstated psychological contract between employees and employers that used to include the expectation of long-term, if not lifetime, employment with the organization has changed dramatically. The U.S. Post Office, for example, and the U.S. military once offered virtually lifetime employment if one weren't incompetent. Not anymore.

From 1989 to 1999, the civilian workforce of the Department of Defense was downsized by 38 percent, but the acquisition, technology, and logistics workforce was decreased by 49 percent. "Now what was the result of this downsizing?" Keith Charles, task force chief and director of acquisition, technology, and logistics, asked rhetorically. "We pushed people out the door, but when we looked inside their desks, we found that they were actually working on crucial projects for the Department of Defense that we could not just drop.

We had failed to maintain knowledge continuity for many of these positions, and we were left holding the bag. Knowledge loss is a serious problem that needs a robust solution" (Charles, 2001).

In the Information Age, job turnover is no longer just job turnover: It is *knowledge turnover.* "The churning of today's workforce is eating away at the profitability of even the healthiest corporations," writes B. L. Ware, president of Integral Training Systems. "Even when the bottom line isn't seriously impacted, the loss of several key employees who have special expertise or who maintain valuable customer relationships can shake an organization to its foundation" (Ware, 2001, p. 3). As with all knowledge loss, productivity suffers as the organization plays a continuous game of "knowledge catch-up" in its managerial ranks. The continuity base on which corporate momentum is built and sustained is lost and then lost again and again.

Organizations that have been deeply concerned about organizational "learning" have been oddly negligent about its opposite: corporate "forgetting," which occurs with every departing knowledge worker. What kind of organizational learning can take place if the knowledge base on which it relies is subject to continual degradation or if the organization itself cannot remember enough to pass on its knowledge and its secrets to the newcomer expected to carry the torch? Yet this scenario is commonplace in contemporary organizations. In those organizations beset by significant job turnover, there may be more organizational forgetting going on than there is organizational learning. In the Information Age, as opposed to the Industrial Age, there is a lot more to forget.

Yet even as organizational forgetting increases, so does the value of the knowledge that is lost. So valued is knowledge in the Information Age that companies have instituted ongoing training and continuous learning programs to raise the level of employee expertise, a strategy that, ironically, increases the marketability of those employees. By building the knowledge of their workers—and so making those workers more valuable in the marketplace—contemporary organizations have made themselves more vulnerable to job hopping. Ironically, by failing to harvest the operational knowledge of those employees, organizations have also made themselves more vulnerable to knowledge loss. In fact, management has grown so accustomed to this knowledge loss that it seems largely accepted as an inevitable cost of doing business. In fact, job turnover *is* inevitable in organizations, but the devastating knowledge loss that accompanies it is not.

Significant numbers of departing employees send a shock wave of knowledge discontinuity through an organization. In the highly networked world of the Information Age, each employee is an integral part of the web of knowledge-based relationships that build core competencies and create competitive advantage for the organization. Whenever one piece of the knowledge web is eliminated, its loss inevitably affects other pieces of the web and shakes the web as a whole. The goal of continuity management is to maintain the integrity of the web by preserving the knowledge that sustains it and that would otherwise be lost with each departing employee.

Countering the Threats: Continuity Management

Chaos or continuity? The crippling consequences of knowledge loss from resignations, retirements, transfers, and terminations do not have to be an accepted part of doing business. Nor can they be for companies operating successfully in the Information Age. "The more an institution is organized to be a change leader," Peter Drucker writes, "the more it will need to establish continuity internally and externally, the more it will need to *balance* rapid change and continuity" (Drucker, 1999, p. 90). Preserving knowledge continuity between incumbent and successor employees creates that requisite balance. Continuity management reduces knowledge loss from employee departures and the negative impact of that loss on productivity and profits, yet it encourages creativity, innovation, and dramatic change grounded in lessons of the past.

Continuity management is more than a program, however, or an innovative management tool or even a process. It is a new management perspective, one that affects the structure, strategies, operations, and culture of an organization. By acknowledging the network of relationships that forms the heart of a successful enterprise in the Information Age, continuity management focuses attention on the critical asset of knowledge and how that asset can be preserved and enhanced. Ultimately, knowledge continuity and continuity management become part of the vision, goals, and mission of an organization. Continuity management is a powerful means for innovative managers to create opportunity out of crisis and to redefine the rules by which business is conducted and success is achieved. While competitors are first confounded and then stalled by knowledge loss, continuity-managed organizations move confidently and decisively, using knowledge superiority to seize opportunities, reshape environments, and outpace rivals.

It is rare for a completely new competitive advantage to emerge in the world of business. Quality improvement, process reengineering, organizational learning, and knowledge management are examples of competitive advantages developed in past decades. Each has wrought significant changes in the business landscape, catapulting some organizations to dominant positions and relegating others to the status of business-school case studies of what went wrong. The difference between these extremes was—and is—savvy management. Those leaders, executives, and managers who saw the potential of each of these enduring management advances profited handsomely in annual earnings, professional reputation, and personal satisfaction.

Continuity management offers a similar opportunity to the savvy managers of the Information Age.